

Form D

PRIOR NOTICE OF A MATERIAL TRANSACTION INVOLVING A CAPTIVE INSURER

Filed with the Kentucky Office of Insurance

By

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Name of Captive

Date: \_\_\_\_\_, 20\_\_\_\_

Name, Title, Address and Phone Number of the Individual to Whom Notices and Correspondence Concerning This Statement Shall Be Addressed:

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**Item 1. Identity of Parties to the Transaction**

Furnish the following information for each of the parties to the transaction:

- Name
- Address
- A description of the nature of the parties' business operations
- Relationship, if any, of other parties to the transaction to the captive filing the notice, including any ownership, debtor or creditor interest in the insurer seeking approval, by any other parties to the transaction or by the insurer filing the notice for the affiliated parties

**Item 2. Description of the Transaction**

- A statement of the nature of the transaction and the proposed effective date of the transaction.
- If the transaction involves a loan, extension of credit or a guarantee, furnish a description of the maximum amount which the insurer will be obligated to make available under the loan, extension of credit or guarantee. Include the date on which the credit or guarantee will terminate and any provisions for the accrual or deferral of interest.
- If the transaction involves an investment, guarantee or other arrangement, state the time period during which the investment, guarantee or other arrangement will remain in effect, together with any provisions for extensions or renewals of such investments, guarantees, or arrangements.
- If the transaction is a reinsurance agreement or modification thereto, in which the reinsurance premium or a change in the insurer's liabilities equals or exceeds five percent (5%) of the insurer's surplus as regards policyholders, furnish a description of the known or estimated amount of the liability to be ceded or assumed in each calendar year, the period of time during which the agreement will be in effect. Furnish a brief description of the

consideration involved in the transaction and a brief statement as to the effect of the transaction upon the insurer's surplus.

- For management and service agreements, furnish:
  - (a) A brief description of the managerial responsibilities or services to be performed; and
  - (b) A brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for the compensation and the terms under which payment of compensation is to be made.

### Item 3. Signature and Certification

Signature and certification required as follow:

#### SIGNATURE AND CERTIFICATION

The undersigned deposes and says that he has duly executed the attached notice dated \_\_\_\_\_, 20\_\_\_\_\_, for and on behalf of \_\_\_\_\_ (Name of Captive); that he is the \_\_\_\_\_ (Title of Officer) of the company and that he is authorized to execute and file the instrument. Deponent further says that he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information, and belief.

(Signature)\_\_\_\_\_

(Type or print name) \_\_\_\_\_

#### *Filing Information:*

#### **Form D Filing—Prior Notice of a Material Transaction Involving a Captive Insurer**

##### Under what circumstances should a captive submit a Form D Filing?

A Form D filing - Prior Notice of a Transaction - should be submitted to the Kentucky Office of Insurance (KOI) if the captive anticipates entering into an agreement or transaction as follows:

1. All management agreements, service agreements and cost sharing arrangements. (i.e. Captive Manager agreement)
2. Material agreements or transactions:
  - a. Sales
  - b. Loans
  - c. Extensions of credit
  - d. Guarantees
  - e. Reinsurance agreements

##### What is the timeframe to submit a Form D filing?

The captive shall not enter into any of the above transactions or agreements unless the captive has notified the Executive Director in writing of its intention to enter into the transaction at least thirty (30) days prior to the transaction, or a shorter period as the Executive Director may permit, and the Executive Director has not disapproved it within that time. (i.e. The KOI has 30 days from the date of receipt to address any questions or concerns. If no response is received by the captive after 30 days, then the agreement or transaction has "deemed" and is considered "not disapproved" by the KOI.)